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Japanese Foreign Policy

A close US-Japanese relationship has been the cornerstone of Japan's foreign policy. Prime Minister Nakasone has stressed that a solid alliance is essential for successfully coping with international problems. As a result, we believe the Japanese will continue to see their diplomatic interests tied closely to ours and that Tokyo will continue to solicit US views before making foreign policy choices. Japan, nevertheless, is beginning to move toward a more active and assertive role in the foreign policy arena. We believe that an increasingly self-confident Japan may choose paths different from Washington's when Tokyo views its interests as transcending the US-Japanese relationship.

The Soviet Union

Japan has distrusted Moscow for more than a century. The USSR's refusal to return the islands north of Hokkaido, its actions in such countries as Afghanistan and Poland, and its continued military buildup have all contributed to this continuing negative attitude. Tokyo has generally followed

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Washington's lead when dealing with the USSR, and has supported US initiatives such as sanctions after the Soviet invasion of Afghanistan in December 1979. Like the United States, Japan recognizes the Soviet threat--particularly since Afghanistan-although the two do not completely agree on its severity or on how best to cope with it.

The Japanese believe it important to keep open channels of

The Japanese believe it important to keep open channels of communication to Moscow. Based on his public statements, we judge that Prime Minister Nakasone views the change of Soviet leadership as an opportunity for improving communication. In an unusual move, he met with the Soviet Ambassador to Tokyo shortly after taking office. In addition:

- -- Tokyo has invited the Soviet Fisheries Minister to visit Japan in February to negotiate a long-term fisheries agreement; he will be the first Soviet Cabinet minister to visit Japan officially since the invasion of Afghanistan.
- -- Also in February, a large Japanese business mission, led by Japan Chamber of Commerce and Industry President Nagano, will travel to Moscow, the first such delegation to the USSR since 1979.

We expect Tokyo will continue to relax restrictions on official contacts as well as on trade with the Soviets. In fact, Tokyo's current plans for exchanges are probably in part an effort to keep up with other Western c25x1tries in developing relations with Moscow.

According to US Embassy officials, Japanese bureaucrats see signs of a general East-West thaw, including the high level of Western representation at Brezhnev's funeral and the end of pipeline sanctions.

Japanese businessmen have watched European and US business missions to Moscow, and according to reports in the press and from the US Embassy, they are afraid of losing sales.

Despite Tokyo's drift back toward business as usual with the Soviets-

we believe Japan will continue to consult closely with Washington on questions of policy toward Moscow. We

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do not expect Tokyo to aband	don key demands	for normalizi	ng
relations with the Soviets.			
of changing Japan's policy of			e treaty
with the USSR until the Sovi	iets return the	Northern	
Territories. 25X1	25X1		

China

Since Japan normalized relations with China in the early 1970s, Tokyo has been committed to building stable, broadly based ties to its major Asian neighbor. To support the moderates in Beijing and to encourage the Chinese to expand their opening to the West--as well as to provide opportunities for Japanese businessmen--Japan has contributed to China's modernization effort. Tokyo has provided large-scale loans on favorable terms for equipment used in the construction of railroads, ports, and whole plants, and has also offered access to Japanese technology. Some potential for trouble exists in the relationship, however.

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-- We believe Tokyo is concerned by China's recent move away from strong public support of Japan's security treaty with the United States.

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According to the US Embassy and the Japanese press, Japanese business leaders are increasingly pessimistic about significant further expansion of Japan-China economic ties, and Tokyo may not give Beijing as much economic assistance as it wants.

-- The textbook controversy last summer spurred Chinese criticism of what they described as a resurgence of Japanese "militarism."

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-- China will carefully monitor Japanese contacts with Taiwan and can be expected to express displeasure should exchanges such as the visit of senior Liberal Democratic Party leader Esaki to Taipei last summer continue

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The Japanese do not yet view these problems as serious enough to reevaluate their policy toward China, however, and US Embassy officials in Tokyo report that they have no evidence that Nakasone intends to make changes in that policy. The Prime Minister has pledged to continue to promote good relations with Beijing on political, economic, and cultural fronts. We do not expect Japan to pursue a China policy that runs counter to US interests in the area: Nakasone has said that stable, friendly relations with the United States provide the basis for sound policy toward Beijing

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The Western Alliance

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In his policy speech to the Diet on 3 December, Nakasone reconfirmed Japan's commitment to work with the United States and Western Europe. We expect that Japan will continue to call for increased cooperation among advanced democracies. During his January 1983 trip to Europe, for example, Foreign Minister Abe expressed interest in consulting more closely with the NATO countries on security issues. Tokyo has in fact cooperated with other members of the Western camp, particularly on East-West problems such as the Afghan and Polish sanctions

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The Japanese have sometimes considered siding with Western Europe when it seemed to their advantage--on the issue of the US oil and gas field equipment embargo, for example--and Japan has joined Europe in criticizing high US interest rates.

Nevertheless, a review of the Japanese press suggests that Tokyo continues to perceive some anti-Japanese sentiment in Europe. Japan has not made significant progress toward developing close bilateral ties to European nations. It has been much less responsive, for instance, to West European than to US demands for trade liberalization. We expect, therefore, that Japan will continue to put most emphasis on the US relationship.

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The Middle East

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The Middle East is the area in which Tokyo's foreign policy is most likely to diverge from Washington's. Despite continuing efforts to diversify its sources of energy, Japan remains dependent on the Middle East for about 70 percent of its oil. Consequently, it places considerable weight on ensuring good relations with the Arab oil exporters. To do so, Tokyo has sometimes gone further than the United States has wanted. In late 1981, for example, Tokyo hosted PLO leader Arafat, although the visit was billed as "unofficial."

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We expect Japan will continue to search for initiatives toward the Middle East that will please the Arabs, although it will try to avoid antagonizing the United States in the process.

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Japan thus may not be able to move as quickly to develop close relations with Korea as the United States would like.

Africa/Latin America

Latin America and Africa generally remain low priorities for Japan, and Tokyo may not provide as much support as Washington might like on such matters as the Caribbean Basin Initiative. Japan's foreign policy interests in the two regions are focused on the resources and development potential of these regions. Tokyo is thus most concerned with stability in both areas and is likely to go along with US policy toward them. US pressure has been a factor in increased Japanese aid to countries in both We believe Tokyo considers this involvement a means of demonstrating to Washington that Japan is a cooperative ally and one that fulfills its international responsibilities

International Issues

Japan has been one of the United States' most reliable allies in international forums. Japan has so far supported the United States in trying to ensure continued Israeli membership in international organizations, for example. At Washington's urging Tokyo has begun to take a still small but growing interest in refugee affairs. Japan will provide financial and technical assistance to the Bataan refugee reprocessing center in the Philippines, for example, and has increased food aid for African refugees

Also in response to US pressure Japan has increasingly taken strategic concerns into consideration when allocating foreign aid in an effort to strengthen Third World nations and reduce opportunities for Soviet intervention. Southeast Asia, particularly ASEAN's "front line state," Thailand--has been the principal beneficiary of Japanese economic assistance. also boosted aid to Turkey, Egypt, Oman and other strategic countries in or adjacent to the Middle East. Japan has followed the US lead during multilateral debt rescheduling negotiations, including those on Mexico and Zaire. We expect Tokyo will continue to be supportive in this area,

On the other hand, on some international issues Tokyo's 25X1 positions have and will continue to diverge from Washington's. Japan voted for the draft Law of the Sea treaty last spring. Although it did not sign the treaty in December, largely in response to US pressure, US Embassy officials in Tokyo expect the Japanese to sign sometime this year. On the issue of whaling,

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Tokyo opposed the International Whaling Commission's decision to	
ban commercial whaling beginning in 1986	25X1
Japan's dependence on the Third World for markets and raw materials has sometimes made it more responsive to the South on North-South issues than is the United States. We expect Tokyo to	
continue to attempt to serve as a bridge between the developing	
world and the industrialized nations.	25X1
Japan's special interest in disarmament, and especially in	. •
nuclear disarmament, could lead it to support initiatives on a	
comprehensive test ban, for examplethat do not meet US	
requirements. In the past, however, Japan has modified its	
disarmament policies to take into account US objections, as it	
did last summer during the UN Special Session in Disarmament,	
when Tokyo did not present a planned draft proposal on the	
protection of nuclear facilities. Japan has its own peace	
movement, which has sponsored antinuclear rallies and opposed the	
hosting of US military bases. The movement is divided, however,	
and although it was active before the special session, it has	
been unable to sustain that momentum.	25X1

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